

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

ANTONIO BACHAALANI NACIF;
WIES RAFI; and HANG GAO,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

ATHIRA PHARMA, INC.; and LEEN
KAWAS, Ph.D.,

Defendant.

C21-0861 TSZ

MINUTE ORDER

The following Minute Order is made by direction of the Court, the Honorable Thomas S. Zilly, United States District Judge:

(1) In a declaration, docket no. 134-1, signed by Sarah Evans on behalf of the Settlement Administrator, Strategic Claims Services (“SCS”), the following information was provided: “SCS has received 8,283 claims, of which 2,702 have been provisionally deemed to be valid and 5,581 are provisionally deemed to be deficient or ineligible.” *Id.* at ¶ 18. This data suggests that over 67% of the putative class members who expended the time and effort to complete and submit claim forms will not receive any benefit from the settlement. Absent further explanation, the Court will be reluctant to grant plaintiffs’ motion for final approval, docket no. 134, which is currently noted for October 18, 2024. The Settlement Administrator is DIRECTED to file a supplemental declaration, on or before October 8, 2024, addressing the following issues:

(a) On what ground or grounds have claims been provisionally deemed to be deficient or ineligible and, to the extent that multiple grounds are involved, approximately how many claims are associated with each ground;

(b) What steps, if any, has the Settlement Administrator taken to communicate with putative class members about alleged deficiencies or ineligibility, and what opportunities have putative class members been given to cure any deficiencies or to seek review by Class Counsel of the Settlement Administrator's provisional determination, *see* Amended Stipulation and Agreement of Settlement at ¶ 24(d)–(e) (docket no. 125-2);

(c) How many or what percentage of claims deemed provisionally to be deficient or ineligible does the Settlement Administrator anticipate concluding are valid before the Final Approval Hearing scheduled for October 25, 2024, or within thirty (30) days thereafter;

(d) How does the percentage of claims deemed provisionally to be deficient or ineligible in this matter compare with the rates of rejected claims in other, similar cases;

(e) Of the 5,581 claims provisionally deemed to be deficient or ineligible, how many claims involve putative class members who purport to have (i) only Securities Act Claims, (ii) only Exchange Act Claims, or (iii) both Securities Act Claims and Exchange Act Claims, as defined, respectively, on Page 2 of the Order entered February 15, 2024 (docket no. 128); and

(e) Given the claims provisionally deemed to be valid and any claims that have been or will likely be deemed valid as a result of the cure and/or review process, what are the expected average and maximum gross and net distributions relating to Securities Act Claims and Exchange Act Claims.

(2) The Settlement Administrator is DIRECTED to make arrangements for one of its employees with knowledge about this matter to appear in person on its behalf at the Final Approval Hearing.

(3) The Clerk is directed to send a copy of this Minute Order to all counsel of record.

Dated this 30th day of September, 2024.

Ravi Subramanian
Clerk

s/Laurie Cuaresma
Deputy Clerk